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FABIAN

11 Dartmouth St



SOCIETY

London SW 1

FABIAN RESEARCH

Quarterly Report

GENERAL RESEARCH

Social Security

The Government's categorical refusal to consider the introduction of Family Allowances during the war is a challenge rather than a set-back. Social Services in kind (Communal Feeding, Day Nurseries, Nursery Schools) are rightly on the increase, but at the same time there is, as *The Economist* has just pointed out, immediate need for at least a rationalisation of dependents' allowances and of pensions. We hope that our Social Security program will suggest how this rationalisation can be effected as a short-term measure, and how eventually our Social Services can be coordinated, and reconstructed where necessary. Our work is now well under weigh. A group of eleven persons, with more to be added, are working on different sections of the project, and we hope that much of the initial spade work will be completed within the next few months. This program has aroused a great deal of interest, and we will gladly send a basic outline of the work to members who care to ask for it.

Food

Since the last issue of the *Quarterly*, memoranda on Fish and Bacon have been prepared and are being sent to the Food Committee of the Parliamentary Labour Party. The Fabian Food Committee has initiated a study of Communal Feeding and we are sending out a Questionnaire about this. Mrs. Barbara Drake has promised to write up the results and we hope to be able to get material from all over the country giving as complete a picture as possible of this extremely interesting social development.

Primary Products

Paul Lamartine Yates has kindly undertaken direction of this small Research Group, members of which are working on Cotton, Rubber, Tin, Wheat, Meat, Copper—the conditions of their production and marketing, and their better organisation in the post-war world. A few more workers are still needed.

Education

Work on post-war educational policy is under discussion. Will anyone able to offer assistance in this field please write and let us know the branches of the subject which interest them particularly.

Miscellaneous

In addition to the main research projects described above other Fabians are studying Youth work, Coordination of Health Services, Propaganda and the Press, Architectural Training. The following publications are in course of preparation :

BOOKS : *Trade Associations*, by Professor Hermann Levy ; *Social Security*.

PAMPHLETS ON : *Rehabilitation of the Disabled Worker* ; *Educational Provisions for Backward Children* ; *Feeding Stuffs* ; *The Assistance Board* ; *Fish* ; *Communal Feeding* ; *Billeting*.

TRACTS : *A Health Policy for Local Authorities* ; *Socialism and the Managerial Classes* ; *Why German Democracy Failed*.

COLONIAL BUREAU

The Bureau continues to be actively engaged in the collection of information on current events and opinion in the colonies, and in bringing this information to the attention of the press and Members of Parliament. It is becoming more and more evident that it is filling a very real need. The readiness with which responsible newspapers are prepared to accept information, and the willingness to cooperate which Members of Parliament have shown, are proof enough of the gap which the Bureau is filling, and of the important part it may be able to play in the future of colonial policy. Much of the news which the Bureau is collecting will soon become available to all interested Fabians, as the kind cooperation of J. F. Horrabin has made it possible to take over *Empire* and publish it as a bi-monthly journal, commencing in a few weeks' time. *Empire* will contain eight pages packed with factual information, the greater part of which will be culled direct from colonial sources and otherwise unobtainable in this country.

Among the problems on which the Bureau has worked during the last three months, the following may be mentioned : Action regarding the surplus cocoa, orange and banana crops and other surplus primary products in the colonies ; the new constitutions of Trinidad and Jamaica ; the conditions of military service for Africans ; the virtual suspension of the Colonial Development Fund for the duration of the war ; the Copperbelt Report ; the effects of colonial war-gifts on local budgets and social services, etc.

INDUSTRIAL CONSCRIPTION AND DEMOCRACY

T. Balogh

If it were raining already, the Heffalump would be looking at the sky, wondering if it would clear up, and so he wouldn't see the Very Deep Pit until he was half-way down . . . when it would be too late.

—Winnie the Pooh.

Mr Bevin's broadcast on 16 March 1941, Mr Roosevelt's momentous call to the American nation and the measures announced by Capt. Lyttleton, mark a turning point of the war. We are to have American help irrespective of our ability to pay for it currently. And we are beginning with our own economic mobilisation in earnest.

The consistent underestimate of the threat we are faced with, the reluctance to take steps to remove all obstacles in the way of a full use of our economic resources irrespective of vested interests of whatever character; the failure to conserve our real reserves of foodstuffs and essential finished products (which could be better safeguarded than raw materials), have produced a dangerous position.

But apart from this, there are two criteria, both of equal importance for winning the war, which so far have largely been ignored. We must ensure the efficiency of our institutional organisation—though of course much will depend on the selfless devotion of the people in charge.¹ We must ensure that the sacrifice exacted from the population shall be equitably distributed. The compulsion of reluctant people will neither produce efficiency in production nor will it vouchsafe the morale essential for holding out until victory can be won. It will be shown below that this can only be accomplished by methods implying a democratic collective planning and control of the economic system which can be the basis of a controlled social reconstruction after the war.²

In the absence of such deliberate, ruthless and at the same

¹ Proper organisation can, however, reduce the temptation of the controllers to prepare policies not entirely determined by the public interest. Cf. Sir W. Beveridge on the personnel of controls.

² It must not be forgotten that this method—at any rate in war-time—will have the backing of by far the largest part of the middle and upper-middle classes who, in the absence of controls and collective planning, are driven into economic annihilation. It is not astonishing that opposition to the planless policy has come partly from Big Business and from more enlightened Tories.

time fair planning the outcome is not difficult to foresee.¹ The necessity of cutting all unnecessary consumption both because of the shipping position and because of the increased calls for manpower,² the necessity of increasing war production under heavy attack, will periodically lead to acute crises which must be solved hurriedly. Hence there will be no time for planning or insisting on safeguards or institutional reorganisation. The execution of patch-work remedies will have to be entrusted to the existing vested interests which are necessarily sectional and which, in the absence of supervision, will tend to safeguard their own interests both in the short and in the long run. In so far as the sectional vested interests of owners are far more powerful and are in strongly entrenched positions, and in so far as their task is very much simpler and more definite because it consists merely in the defence of the *status quo*, it is more than probable that they will prevail over those whose task it is to insist on changes. The resistance to the introduction of reforms 'whilst there is a war on' is so palpable. The outcry against any attempt to 'rupture national unity' is so convincing. Finally the gains offered to sectional working class interests as represented by individual Trade Unions are not unsatisfactory in the short run, however dangerous the tendency is likely to be to long-term working class interests and to democracy as a whole. All these factors combine to enfeeble the resistance of Trade Unions³ against a *sectional* in contrast to a national planning of industrial mobilisation. Once such sectional planning is accepted as an instrument of State policy the drift towards what could be termed a non-equalitarian and ultimately corporative or even fascist solution of the war economic problem is inevitable.

Instead of a rational application of our real productive capacity to the war effort irrespective of vested interest we shall have a series of compromise solutions between vested interests. This process must necessarily hinder the war effort as it implies a sacrifice of the most technically rational solution to a *modus vivendi* for the strongest vested interest. Apart from this, the procedure is very likely to perpetuate itself. For it will be extremely difficult to displace without violence established controls which can even (as in Italy they did in part) disguise themselves in a respectable parliamentary cloak; controls which are not wielded

¹ Cf. the brilliant pamphlet by 'Populus,' *My Dear Churchill* (Gollancz, 2s. 6d.), and leading articles in the *Economist* and *New Statesman*, also Bulletins of the Vigilance for Victory Group.

² In this expression women are included.

³ Cf. the interesting study of Mr H. D. Henderson on the 'Cotton Control Board' of the last war.

for the benefit of the community, but for the benefit of certain sections. And it is most unlikely that these favoured sections—after the process is completed—would embrace even the most skilled of the working classes who were bribed in the first period. At the same time such sectional and restricted controls will, in all probability, slow down the rate of economic progress of the community as a whole.¹ For the need for protection arises (apart from the eruptional circumstance of wrong currency policy or the case of a serious secondary deflation) because those who are in need of protection cannot without some help from the community exist by their services. Such help may well be justified even on economic grounds.² But if the help given is not conditional on the recipients readjusting themselves to the new position within some period this means that economic progress will be retarded. Both tendencies—the slowing down of the expansion of total real income and the artificial redistribution in favour of certain sectional interests—will result in an undesirable social and political position. It must not be thought, however, that this position will be inherently unstable so that it can be expected to crumble of its own accord. This optimistic fatalism is based on a vulgar interpretation of Marx which has had catastrophic consequences on the tactics of working class movements in Europe. Fascism (and *a fortiori* Nazism) provides that element of collective control which is essential to stability in the present state of technical development and economic organisation. It may not be a desirable system and from the point of view of those who value equity and justice and hope for a rapid advance for mankind it certainly stands condemned. But it must be realised that fascism offers to the masses more security than the system ruling prior to 1939 in this country and a steady if very slow advance materially (provided it does not lead to war, which, again, is not a necessity, though not improbable) at the cost of the loss of democratic freedom. It might therefore be accepted with much less opposition than seems now likely to attempts to introduce it. The very gradualness of its introduction, the slow adaptation of the workers and their representatives to ideas of sectional control, would facilitate this development.

After France Fell

The catastrophe in Norway and in the West coinciding with the displacement of Mr Chamberlain by a Coalition Government

¹ It is already suggested that a ban on the establishment of *new* firms should be promulgated until all who were displaced are reabsorbed.

² E.g. to avoid rapid or excessive depreciation or unemployment.

under Mr Churchill not only confronted the country with an entirely changed strategic and tactical position but also created the political and social basis for a complete and equitable mobilisation of our potential strength. The inclusion of the leaders of the Labour Movement in the chief organs of the Executive removed all obstacles in the way of an efficient organisation of manpower. The debate of May 22nd on the Emergency Powers Act which gave full authorisation to control all productive resources of the country showed that all parties and all interests were not merely willing but asking for a planned and ruthless but equitable economic mobilisation irrespective of the immediate consequences to themselves.

WHAT WAS REQUIRED

In the changed strategic circumstances and confronted with the threat of a Nazi attempt at blockade and/or invasion, with the equipment of the Army largely lost and the Air Force in a position of definite numerical inferiority, the immediate tasks of the Government were or should have been as follows:

- 1 An immediate severe cut in consumption both to conserve and if possible to increase stocks of essential foodstuffs and to free shipping space for the import of raw materials for war.
- 2 Reorganisation of the productive and distributive organisation with a view to minimising losses from air-attacks.
- 3 A technical pooling of essential and unessential industry by industries so as to free the maximum number of workers in the latter for reabsorption in the former (after a due period of training) and also to eliminate two of the most acute bottlenecks in our productive structure, the scarcity of good managerial skill and that of certain types of skilled labour.
- 4 A very far-reaching reorganisation of agriculture—with due compensation—to use available natural resources fully. This is not possible without central planning and enforcement through compulsory powers of orders about production, using local knowledge as much as possible.
- 5 A rational system of distributing the consequent heavy loss of real consumption income over the community consisting in
 - (a) A rational wage policy so as to help rather than hinder the transfer of labour from unessential to essential industry, including a scheme for paying extra costs due to the transfer, securing an equitable distribution of housing accommodation, by compulsory billeting and full wages during training.
 - (b) Rationing of all essential commodities by groups either by limiting expenditure or by a scheme of point rationing.

(c) Full compensation (with safeguards by blocking, perhaps with certain maximum limits, etc) for *all* war damage to income or property not merely that due to enemy action but also that caused by compulsory measures of the Government (calling up, closing down factories, evacuation etc); in fact the establishment of a fixed basic standard for incomes and property not liable to haphazard change. Suitable taxation could then have been introduced to limit the increase of the national debt and to introduce such changes in the distribution of national income and wealth as were thought necessary. The financial problem, however, would have automatically been solved as all income in excess of rations and some unrationed foods and services would have been at the disposal of the nation.

(d) This scheme of compensation should have been made dependent upon the recipient doing his duty to the State and accepting a job in the war sector appropriate to his skill. Compulsory powers should have been kept in reserve to force compliance by people not falling into the pattern of full national effort. The compensation scheme and other measures would have prevented their patriotism resulting in exceptional hardships for volunteers.

(e) It would, finally, have been necessary to establish technical commissions of experts cooperating with regional executive organs to attend both to labour problems, to the organisation of industry and to problems of compensation. Hardship tribunals with a possibility of appeal to judicial tribunals were the last requirement to ensure equity.

I have no doubt that in the atmosphere of enthusiasm these measures could have been carried through without any hitch.

WHAT WAS DONE

In point of fact no such planned, balanced and equitable mobilisation of the nation's resources took place. The spirit changed. The war economic effort was considerably speeded up and especially in aircraft production and also in the re-equipment of the Army notable results were achieved. The tremendous improvement of the months after Dunkirk was due, in the main, to a considerable lengthening of working hours—which could not be maintained because of its reaction on efficiency.¹ When these effects became more noticeable the upward surge of war production was carried mainly by the completion of the big factories planned

¹ Cf. the Report of the Inspectors of Factories.

before the Churchill Government was formed or to extensions of existing plants decided upon in that period.¹ No radical solution or central planning was attempted.

In The Field of Manpower

- 1 No general registration took place and registration in certain specific bottleneck industries was undertaken piecemeal and with great delay (engineering in August and September 1940; shipbuilding only in March 1941). Thus there was general ignorance about manpower.
- 2 No coherent wage policy was evolved. The matter was left to 'the business as usual' method of sectional collective bargaining. This meant (a) that unessential business could pay higher wages, shifting the incidence on to the consumer, whilst the Treasury's fear of inflation kept wages in the war sector relatively low²; and (b) the peace differentials between regions tended to be maintained in spite of the fundamental change due to the transfer of industrial activity and bombing.

Both factors tended to discourage voluntary transfer.

- 3 No coherent billeting or housing policy was evolved. This tended to worsen working conditions and add to the costs of workers, thus further impeding transfer and lowering efficiency. The recognition of the State's obligation to pay costs connected with transfer came slowly and was therefore of smaller psychological effect than it might have been.
- 4 The number of training centres and their equipment increased slowly, and private firms were not forced to take trainees. This meant an insufficient increase in *potential* plans for training. On the other hand, allowances for trainees in the Government scheme were fixed at a level which would have been possibly justified had the scheme been calculated to redeem long-term unemployed and not as an essential alternative to unessential private jobs. This is being changed as late as April 1941, but even now the principle of maintaining incomes is not to be recognised. In consequence even the insufficient maximum training potential has never been reached.
- 5 No immediate measures were taken to improve working conditions generally. This resulted in a very high labour turnover with commensurate loss of productivity.

¹ Cf. Mr Churchill's speech on economic coordination in the House in February 1941.

² Apart from exceptional cases which are used as propaganda.

Industry and Agriculture

Very much less effective even was the policy of industrial and agricultural reorganisation.

- 1 Inessential industries were curtailed piecemeal without concentrating production in the most efficient or otherwise most suitable units. Hence productivity decreased, the cut was exhausted in short-time and widespread uncertainty was created. The cuts were insufficient and not comprehensive (e.g. hats, shoes, etc. are still not controlled; woollens were only recently cut). The release of manpower was very small.¹ For this the Board of Trade which initiated the policy alone and against much opposition cannot bear the blame. Cuts commensurate to the position were ruled out also by the refusal of the Treasury to consider adequate compensation for lost good-will.
- 2 The industrial controls installed by the Chamberlain Government and mostly consisting of representatives of the vested interests to be controlled² were only changed in a few instances and even then after long delay. There was no radical change in the policy of these controls.
- 3 No central raw material allocation was evolved. The priority system continued to work by compromise and evasion, and the absence of a coherent plan created more bottlenecks than were strictly necessary results of the raw material shortage.
- 4 No technical pooling took place in the war-industrial sector. Hence there was much waste of scarce manpower through unequal dilution and enforced part-time work; there was a marked lack of first-class managerial ability; there was much waste and delay through the inept handling of sub-contracts through main contractors and through the methods adopted in letting contracts in general.
- 5 The control of transport, especially clearing of imports, was not nationally reorganised.
- 6 The reorganisation of agricultural production was never centrally planned to meet the change in production (fat cattle; poultry) decided only in February 1941 without due warning or compensation. The unplanned increase in acreage without a rational scheme for the distribution of fertilisers must reduce productivity.
- 7 Import policies were not adapted to the new position. Hence

¹ Cf. Mr Greenwood's statement in the House of Commons (*Hansard*, November 1940).

² This was wholly against the experience of the last war. Cf. Sir W. Beveridge's lecture on 'War Time Control.' (Barnet House. 1940.)

in spite of the apparent decline in imports (a) inessentials were still bulking large (newsprint, fodder); (b) the method of handling imports was not at first centrally planned and efficiently organised; (c) no early efforts were made to increase the pace of building and repairing ships.

All these failures obviously reduced the potential maximum war effort of Britain. Yet in spite of this no measures were taken to reduce current consumption even of essentials so as to conserve stocks. The resulting maldistribution of available scarce supplies is, together with the exhaustion of stocks, probably the most dangerous (because the least easily remediable) economic consequence of the first period of Mr Churchill's Cabinet.

Recent Developments

In the last month there has been a considerable improvement.

- (a) A radical change in manpower policy.
- (b) A less radical but extremely painful change in import policy.
- (c) A radical change in the policy dealing with unessential industry.
- (d) A fairly radical but insufficient increase in the control over transport and certain other key industries.

Had these changes been adequately prepared, deliberately decided upon, and had they therefore formed a part merely of a centrally and coherently planned change in the system, we should now be on the road to that full but equitable mobilisation of our war-potential which was outlined above. Unfortunately it seems that the last nine months were insufficient for the elaboration of such a programme. Instead of enforcing planning and mobilisation all round, much effort seems to have been spent in resisting reorganisation inimical to vested interests.

Manpower

Thus hardly had the Minister of Labour declared in the summer that no compulsory measures would be needed and that the power voted would be left in abeyance when he had to use compulsion in the shape of general or special dereservation.¹ This was a very potent engine of compulsion. The pay and dependent allowances in the Army are very much lower than in the worst paid jobs.² Once more planned compulsion was repudiated by

¹ Electrical engineering, printing workers etc.

² Cf. C. Madge's article in the *Economic Journal* December 1940.

the Minister, though he had already used sectional and thus extremely unfair compulsory measures without even establishing hardship tribunals. Finally, on the occasion of the Debate on Economic Coordination the Minister announced certain measures which were also tantamount to compulsion.

The actual measures announced on March 15 leave no doubt that compulsion will be used in the sphere of manpower. In certain respects the Minister has accepted the demands of his old critics e.g., in the payment of some increase in wages in the war sector, decasualisation of shipyard and dock labour, increased allowances to trainees, establishment of hardship tribunals and payment of at least part of the cost incurred by the transfer of labour. But as the conversion came too late and too suddenly no countervailing institutional safeguards could be introduced. Thus the principle of maintaining income in case of compulsory transfer has not been accepted and compulsion will be used *without* taking over and directly controlling the firms to which labour is transferred. The limitation of personal freedom—which no doubt is essential—will take place without a guarantee that it is not limited for the *private* gain of certain sectors of property owners, surely an impossible position. These two facts alone are likely to impair the enthusiasm and thus the efficiency of labour.¹

There is a further and even more important consequence of failure to pool war industries under State control. Really good technical management is very scarce. The industrial layout in most small firms is inadequate. The necessary *technical* reorganisation of plant, the introduction of mass-production methods, the full dilution of skilled manpower could only be achieved by technical pooling. Confidence could only be established by a thorough reorganisation of the personnel of controls.

Industrial Concentration

The development with regard to 'unessential' industry shows the same pattern. Having maintained the principle of 'least interference' with individual firms for nine months and consequently failed to achieve the object of limiting unessential supplies, i.e. the freeing of manpower and plant, the President of the Board of Trade suddenly announced the principle of concentration of production. But no schemes were prepared on the basis of disinterested analysis of industry. In case of further cuts the process might start again. But quite apart from this serious drawback and the

¹ Especially if at the same time E P T is reduced, as reduced it should be for reasons of efficiency under the *present* system. In a fully organised and pooled war sector the problem would not even arise.

deplorable delay which results from an attempt to leave the working out of the schemes for individual industries to the industries themselves, two major unfavourable consequences follow from the method adopted :

(a) The problem of preserving firms can hardly be tackled without the establishment of a State controlled holding company—hence the danger of privately controlled and sharply concentrated monopolies arising in these industries is very great.

(b) The problem of compensation for the loss of income to the industry as a whole (in contrast to the loss arising to individual firms as a result of the forced concentration of the *cut* volume of production into certain privileged firms) cannot be tackled without financial pooling. It is more than probable that in the absence of such pooling attempts will be made to shift the burden on to the consumer, a most haphazard and objectionable method of indirect taxation.

There is little to be said about the import programme. In the absence of any general mechanism of compensation the necessary shift to space-saving imports is still insufficient, but the hardship already inflicted is very extensive (especially in poultry-farming). In the absence of proper pooling arrangements (and as neither the Board of Trade nor the Ministry of Food has as yet thought out a scheme of concentration of distribution, though, presumably, the dereservation and industrial conscription which will follow registration will deal with that problem, once more without due compensation) the threat to stocks by air-raids remains undiminished. In agricultural planning we still lag behind even the schemes adopted in other directions. Rationing is being extended in food, but too slowly, leaving too much time for the private hoarding of foodstuffs. No rationing schemes in other directions have been announced and some usually well-informed newspapers, such as the *Daily Telegraph*, predict a budget on 'conservative lines'.

Present Prospects

Even this short review of the economic measures adopted in Britain in the last weeks suggest the following conclusions :

(a) There has been an increased realisation that a full mobilisation of our economic strength for war purposes is necessary and the measures adopted do in fact increase our war potential considerably.

(b) The measures adopted, though a notable advance over the previous position, do not vouchsafe a full use of our potential strength, nor do they safeguard sufficiently our stocks of essentials and the continuity of our production in a period of intensive air-attacks.

(c) The measures adopted still seem compromise solutions without coherent planning. They do not sufficiently safeguard the interest of the community as a whole. They do not provide for an eventual reconstruction on equitable and progressive lines.

(d) The measures adopted are likely to lead to the establishment of a privately controlled corporative system of economic organisation to the detriment of future progress in general and the long term interests of the working class in particular.

(e) It is notable that there seems no conscious class-discrimination in these measures. The fact that small entrepreneurs and shopkeepers are the worst hit elements in the community is a sufficient proof. The cause of the unsatisfactory state of planning is rather the absence of detached thinking and analysis of the problem. In spite of this it is more than probable that the outcome will be a strengthening of the private monopolistic controls because of their favoured position.

A few words have to be said on the task confronting those who believe in democratic planning and control in the interest of the community as a whole. It is seen from the above that a sectional, unplanned organisation of the war effort is fraught with dangers not merely to the war effort itself but to reconstruction. We must insist on a coherently planned full mobilisation of all our economic strength. But until the Trade Unions and their leaders reconsider their rôle in a planned economic system and try to safeguard the interests of those whom they represent, not by anarchic collective bargaining, but by insisting on participation in the actual planning and control of the industries themselves; until the representatives of Labour cease to think of their task in a defensive manner, and insist on an all-round control in which they take their share, a basic improvement is unlikely.

HOUSEHOLD, FAMILY AND STATE

Oliver Gollancz

The one generalisation that can safely be made about the effect of war on any community is that, through the limitless needs of the war-machine, it hastens existing tendencies towards change. It rests with the individuals that form the community, however, to decide whether they are to be swept along on the flood-tide passively, or whether by their effort and imagination they steer a course clear of mudbanks and sidewaters so as to be carried to a destination they consciously desire. In our social policy the general acceleration is reflected in the changes that are being made in the social services, so as to fit them to carry out the enlarged needs of the community. It is not that new principles are being consciously introduced into the body of existing legislation, but that the practical everyday needs of the community gradually whittle away assumptions that were once basic. A theory of the state that assumes the active loyalty of every man and woman, that accepts the obligation of every male citizen to enter the armed forces—a principle from which nothing is subtracted by the reservation of men for essential work—must also correspondingly assume state responsibility for the maintenance, at a minimum standard of well-being, of the families of soldiers and workers, both of whom are in reality state employees. With the front-line zone comprising the whole of our island, and with civilian morale as the fourth armed force of ourselves and the enemy, the responsibilities of the state embrace territory that was previously the exclusive preserve of family responsibility.

The purpose of this short article is to examine the changing relationship of the state and the family in so far as it bears on the relief of poverty and distress. But to draw a black line of distinction between the attitude of the state to families likely to require assistance and those assumed to be able to stand without, is to present a most unreal and one-sided analysis. On the screen of the social services the changed relationship of family and state is certainly reflected with great clarity, but the increase of governmental control in industry, commerce and banking, the Industrial Welfare Department of the Ministry of Labour, the development of day-nurseries to free women for industry, communal feeding and factory

canteens, equally represent manifest changes in the rôle allowed for state action,—developments that fittingly enough will never be discussed in Manchester's old Free Trade Hall. Yet without the change of attitude of which these measures are the shadows, extensive innovations would never have found their way on to the pages of the statute-book. It is well to remember, however, against the undoubted benefits conferred by these services, the social conditions revealed by the migration, caused by evacuation and 'blitz', of so many working-class families, conditions that forced many to realise how little, instead of how much, had been accomplished by half a century of legislation.

THE POOR LAW PRINCIPLE

The Poor Law Act of 1930 re-enacted, with but slight change of phrase, the controlling section of the original Elizabethan Poor Relief Act of 1601 with its principle of family responsibility.

'It shall be the duty of the father, grandfather, mother, grandmother, husband or child, of a poor, old, blind, lame or impotent person, or other poor person not able to work, if possessed of sufficient means, to relieve and maintain that person.'

Yet the Elizabethan poor law served an agrarian society totally different from that of our industrial England of teeming cities. For one thing families were closely bound to the soil; this produced a moral outlook entirely different from that formed by the loosened family ties common in city life. Behind the family, too, was the supporting arm of charity, the quality of which, like that of mercy, was believed to bless both giver and receiver. Today even the Charity Organisation Society is on the defensive.

The principle of family responsibility has been slowly whittled away, not as so often on the continent, by the enunciation of a new principle or new theories, but by laws introducing detailed measures to mitigate precise grievances. If the metaphor is allowed, one might say that the fabian tortoises—both within and outside of the Society—have nibbled away obnoxious clauses of the old poor law and added new ones, until now it seems essential to scrap the tattered sheets and draw up a new act—a clear unmistakable manifesto of *our* New Order. For, by the development of the structure of social insurance and pensions, the poor law has been effectively side-stepped in many branches of the social services. Similarly the field of Public Assistance is being gradually rationalised.

Today the unit of personal responsibility to which we feel that we owe an obligation which the state may justly enforce in laws that are, after all, the codification of public opinion, is the

family composed of husband, wife, and dependent children. We have seen from social surveys that the fact of living in a common household and eating from the 'common table', while often the result of voluntary motives based on affection or financial considerations, is by no means necessarily so—often the financial necessity is far from voluntary. Such 'families' do not form a unit in that the individuals feel that they stand or fall together, and that they are willing, very literally, to become their brother's keeper. Even adult children, especially if they have dependants of their own, only unwillingly make payments to the Public Assistance Authorities for their needy parents.

THE HOUSEHOLD MEANS TEST

It is in the means test that we have the clearest expression of the theory of 'family' responsibility. Basically all that is meant by a means test is that the resources to which the individual has access should be taken into account in assessing his need for aid from state funds. But to define these resources is not an objective matter; it will be a reflection of the underlying social philosophy of the society. Immediately their definition raises the issue of the right relationship between the individual and the family of which he is a member and the household in which he lives, and, what is even more to us in contemporary European civilisation, the relation of the individual and the state. The services that relieve the most crippling poverty have grown up as the concession of the liberal capitalism of free competition to the disturbing fact of distress. The constructive social services are the product of a more positive social philosophy—that the state in the larger interest of the community should guarantee a minimum standard of living, health and education. Constructive measures to relieve poverty, especially child poverty, come up against the obstruction that, as assistance must not in principle equal the local wage rate, assistance rates tend to be inadequate for large families.

There are three types of means test in which the resources of (a) the individual or his parents; (b) the 'family' of varying extent; and (c) the household, are taken into account. There is also great variation in the manner in which the amount of assistance given is graded to supplement the income held to be at the disposal of the individual. In so far as they come under the heading 'constructive', these social services are bound up with the extra financial liabilities caused by having children. Under Maternity and Child Welfare there is a means test for the issue of free milk to expectant or nursing mothers and infants, for the paying of the

fees of municipal or private midwives, whether maternity benefit is paid or not, for the medical assistance called in by midwives, for treatment in hospitals, lying-in homes, convalescent home treatment, home help and medical treatment for pre-school children. In the School Medical Service tests affect payment for milk and meals, medical and dental treatment, convalescent home treatment, provision of spectacles and treatment for tonsils and adenoids. Special places and maintenance grants in secondary schools and for higher education take similar notice of home circumstances. Most important of these means tests are those applied in municipal general hospitals, tuberculosis sanatoria, rheumatic and orthopædic hospitals, and in the maintenance of mental defectives in homes. Assistance in housing through rent rebates turns on means tests of various types.

With the exception of the assisted milk schemes all these services are provided by the Local Authorities, either under compulsive authority to provide the service and recover costs if there is ability to pay, or under permissive powers if it is considered that the service is essential and there is inability to pay. In most cases the test applied is based on the means of the parents, but a surprising number of Authorities apply a household test even for such services that appear so obviously a parental responsibility as free places in secondary schools or school meals (or is it honestly held that these meals relieve the 'common table'?)

In the relief of that poverty not covered by insurance schemes, the old poor law principle of family responsibility remains strongly entrenched. In the gradually limited field of public assistance—the direct descendant of the poor law—the old principle of 1601 survives most strongly. Municipal homes, institutions and hospitals seek contributions from the liable relatives, and retain all the old poor law taint, however they may be renamed. When one considers that the sum recovered amounts to only £1½ million for all the Local Authorities of the country, the ease with which this reform could be accomplished becomes apparent. Few people will support the retention of the family means test, with its hunting down of liable relatives; it is, in fact, becoming slightly ridiculous as service after service is placed on the basis of the liability of the natural family of parents and children, with more or less consideration given to the real advantages that accrue from membership of the household. Seeing that the rates have been freed from paying towards the able-bodied unemployed transferred to the Assistance Board, this would be a small additional sacrifice to ask of the ratepayers—even if the rating system is not at present reformed.

THE NEW BILL

It is interesting that no murmur was heard against Mr. Pethick-Lawrence's defence of the new Determination of Needs Bill, now before Parliament, as deserving support because

'it constitutes a revolutionary change in the principles which have been adopted for a very long time, dating back to the days of Queen Elizabeth . . . because it shifts in general the main obligation to look after those who are old or out of work from the family and the household to the community as a whole.'

The 17 members voting for the amendment doubted, not the desirability of the principle, but its practical realisation in the new proposal. Yet from the silence in the Trojan ranks we must not necessarily infer that the Horse has been carried in unsuspected to let loose not men, but a precedent. Like most reforms in this country it is not a 100% measure. The household means test has been effectively abolished in the case of the applicant who is a householder; instead some consideration is given to the advantage derived from wage-earners living in the household. In Rule 3, however, where the applicant is not a householder, the household means test remains, though considerably modified. Instead of no allowance being made to an applicant living in a household the income of which is above the prescribed level, with the result that he is a drain on the family exchequer and is humiliated by his utter dependence on others, under the new scheme an allowance is to be made to cover personal needs. In some cases the means test inquisition is avoided, as investigation will only be necessary if the householder claims that his resources are below the prescribed level, or that the circumstances are special, warranting the use of the Board's discretionary powers. When the bill is passed 200,000 unemployed, a million Supplementary Pensioners and an unknown but certainly large number of new applicants will have their allowances based on the new principle. A detailed consideration of the new proposals will not be attempted in this article, the pros and cons being clearly given in the Parliamentary debate in Hansard.

A CONSTRUCTIVE COMMUNITY SENSE

Thus gradually the obligation of relatives by blood 'to relieve and maintain' the old, sick and unemployed members of their family has been reduced to a responsibility on the shoulders of the 'family' of parents and dependent children, in conformity with the actual social groupings of our civilisation. The household and poor law family means test should be abolished in its remaining strongholds—though it is not unjust that in the matter of rent the incomes

of other members of the household should be given consideration. But it will only be with the introduction of a scheme of family allowances that the change in principle will be underlined, and, it might be added, that a real onslaught will be made on the great volume of child poverty in large families. As *Fabius* has shown in a recent issue of this *Quarterly*, a third child scheme for children belonging to the Registrar-General's working-classes could be financed for as little as £25 million a year at the rate of a 6/- allowance. There are many other ways of achieving the state protection of children, such as by a subsidised, compulsory insurance scheme for all classes—which would avoid the middle-class protest that they are paying for the social services that benefit only the working-classes.

Assistance by the state, or let us rather say by the community, is rapidly moving from the negative relief of distress into constructive help to build a better society. The health and education services have been the pioneers. Similarly the private welfare and case-work organisations are discovering that their real work is not to relieve physical, but rather mental, distress; it is interesting to recall that in the creation of the social services the state has followed where voluntary effort has led—in education for example. With this change of attitude to community responsibility the constructive work of the social services really begins. Not only must the social services be coordinated and developed, they must take in new functions; for example, as the L C C has shown, music, art and literature must be part of the services that a municipality provides for its citizens: What would be the use of state control for its own sake if a new society is not slowly, very slowly, created? The socialised state we desire must embody a new state of mind. Our ultimate aim is a new heaven and a new earth, not a rearrangement of the old, but by experience we know that men and women change but gradually generation by generation. With the new feeling that the community is responsible, there must develop a sense of responsibility to the community, otherwise we may find that we have been sowing for a harvest that fascism will reap. In the last resort the responsibility must always lie with the individual—that individual that reaches his fullest realisation in active participation in the life of the community.

FACTS ABOUT FISH

John Atkins

There are always two methods of settling a question; by the adoption of a long-term or a short-term policy. In the case of the fish industry a thorough overhaul now is an urgent necessity, and if we are to plan something better for the post-war period, this must be undertaken. The ultimate test that must be applied to any industry is, Does it offer a satisfactory finished product to the consumer at a reasonable price? Undoubtedly the fish trade as at present constituted is incapable of doing this. As far as the product itself is concerned, the record has been good (except for one period early in the war, to be referred to later); the distributive process has succeeded in providing the consumer with fresh fish of good quality. The trade's outstanding failure has been its inability to keep retail prices sufficiently low so that all classes of the population are able to buy fish when they desire. At the moment fish is a luxury food. Undoubtedly the trade has had many difficulties; trawlers have been requisitioned by the Government to meet the menace of the mines, fishermen have been drafted into the Navy. The consequence has been a reduction in the amount of fish landed, and in turn a rise in port prices which is handed on to each section of the industry in turn, until it reaches the consumer, who can pass it on no further. But none of these disadvantages account for price rises of the following magnitude:

AVERAGE PERCENTAGE INCREASE IN RETAIL PRICES
(JULY 1914=100)

1 June 1939	102%	1 June 1940	184%
1 Sept.	116	1 July	200
1 Jan. 1940	173	1 Aug.	202
1 Feb.	191	31 Aug.	203
1 Mar.	180	1 Oct.	234
1 April	190	1 Nov.	238
1 May	190	30 Nov.	256

It is useless for the industry to plead that adverse conditions have been the sole cause of this progressive advance up the scale. The structure of the industry is archaic; it has been built up quite haphazardly and piecemeal. In particular the distributive process

is an anachronism in these days when industry must either be rationalised or die. Not only is the passage of the fish from the seas to the fishmonger's slabs hindered by the existence of unnecessary stages en route, but each of these stages is divided into a multitude of uneconomic conflicting units. Far too many people are trying to make money out of fish, and as long as there remains a class of wealthy consumers who will pay exorbitant prices for their fish these people will continue to make money. But there is a corollary to this; it is that poor people will be deprived of fish, as they are now, by the maintenance of prices they cannot afford to pay.

Ultimately the whole industry has to be controlled and rationalised. That is the long-term policy. During a war of this magnitude and vital importance it is always easier to institute reforms that may be unpopular with certain powerful sections of the population than it is to do so in more settled times. The fish trade is individualistic and will fight bitterly against control, but we now have the opportunity to prove to them that without some measure of rationalisation they are doomed. Already some members of the industry are looking forward and saying that the British fishing industry must not be again at the mercy of their foreign rivals, as it had been before the war, when cheap foreign fish flooded the market. But British fish can only be sold as cheaply or more cheaply by a much more efficient organisation of the distributive process. Therefore we have now the opportunity to lay the foundations of a well-run industry, and there should be no delay in doing so. What short-term policy is required to bring immediate benefits, especially to the long-suffering consumer? Before making any suggestions on these lines it is necessary to see how the trade has reacted to war conditions, and to discover what the position is now, at the moment of writing.

A PLAN THAT FAILED

In the first month of war the Government made an ill-thought-out and badly organised attempt to control distribution. There was no attack on the weaknesses already mentioned—the redundancy of traders and unnecessary stages—but merely an attempt to decentralise. On the face of it, it was a good idea. Everyone was panicky, and the *Luftwaffe* was expected to descend at any moment. The big inland wholesale markets were closed down (including Billingsgate), and the big fishing ports such as Grimsby and Hull became shadows of their pre-war selves. As soon as fish was landed at the ports it was rushed to new inland depots that had been set up, away from the most densely populated areas. The

Sheffield fish merchants, for instance, had to go 16 miles to Chesterfield in order to get their supplies. The former stand owners in the big markets, who had been used to earning something like £1,500 a year before the war, became Government employees at £4 a week.

Such bare facts make it obvious that the scheme would be unpopular. But, worse than that, it was a fiasco. In a lively debate in the House of Commons on 13 September 1939, the whole wretched and often incredible story came tumbling out as M P after M P from every corner of the British Isles rose to his feet to expose the shortcomings of the plan. Mr Stewart, for instance, said that retailers had had their supplies seriously curtailed, and that great numbers of fish merchants, salesmen, agents and others concerned with the transfer of fish from the boats to the retailers' shops had been actually relieved of their occupations. Perhaps the most crushing indictment came from Mr Loftus:

Under this scheme the fish is landed (at Lowestoft) and taken to Norwich, 25 miles away. It was kept in one instance for several days until it was stale. It is sold at Norwich, and merchants and fish buyers have to go from Lowestoft to Norwich, wasting petrol, 25 miles there and 25 miles back. At Norwich they have to form up in a long queue and take any fish, even fish that is several days old. Heretofore, they had been able to buy fish within an hour or two of its landing. Under this scheme hundreds of tons of good fish have been wasted by being allowed to go so stale that it could not be sold for human food.

Mr Loftus also complained of the cost of the scheme, and other M P s added their grievances—waste of time, bankruptcies, trawlers out of commission, and so on.

In reply there was little that W. S. Morrison, then Minister of Food, could say. He apologetically explained why the scheme had been launched in the first place, calling it 'a precaution against an unforeseeable future which we had to contemplate and prepare for'. It was a precaution, however, that did not appeal to the majority of M P s who took any interest in fish, nor to almost everyone in the fish trade. (The only exceptions were those who had assisted in drawing up the plan, and who helped in its administration.) Only a week later the Minister announced his intention of annulling the scheme, adding that since it was necessary to retain some measure of control it was proposed to introduce a Maximum Prices Order.

RETURN TO ANARCHY

The failure of the Government's attempt to control the distributive process threw the industry back into its old pre-war state of

anarchy. This has been referred to above but not as yet diagnosed. Perhaps the best diagnosis of this anarchy, its most complete reduction to a matter of pounds, shillings and pence, is contained in the following price structure, given in the Report on the White Fish Industry, 1936, made by the Sea Fish Commission :

Amount paid by Port Wholesaler to Trawler Owner ..	100
Port Wholesaler :	
Wages and Salaries	8
Carriage and Packing	11
Other Expenses, Net Profit	4
	— 23
Amount paid by Inland Wholesaler to Port Wholesaler	123
Inland Wholesaler :	
Wages and Salaries	8
Carriage	6
Other Expenses, Net Profit	7
	— 21
Amount paid by Fishmonger to Inland Wholesaler ..	144
Fishmonger :	
Wages and Salaries	27
Carriage and Packing	6
Rent, Rates, etc.	9
Other Expenses, Net Profit	10
	— 52
Amount paid by Consumer to Fishmonger ..	196

That is revealing enough in itself, but it is not the whole of the story. On top of the unnecessary stages that obtrude themselves between the trawlers and the housewives (and these are often more than are recorded above, for frequently a merchant will buy from a port wholesaler and sell to an inland wholesaler, thus adding another storey to the structure), each separate stage is split up into a multitude of small units which militate against the possibility of a smooth, efficient machine. It is easy to enter the fish trade—a little capital is really the only letter of introduction required. Moreover, the tendency towards this kind of redundancy was on the up-grade prior to the war ; for example, in Grimsby, 1913-34, the number of port wholesalers increased from 510 to 729, although the quantity of fish handled during the same period fell by one-third.

Obviously it is impossible for British-caught fish to be put on the retail market at a reasonable price when so many unnecessary pockets are being filled. It is scarcely surprising that foreign fish could be imported at so much lower rates before the war, and it is likely that the same will occur again afterwards unless there is a radical clean-up in the industry. The fish merchants also fear the

foreigner, and voices are already being raised, demanding post-war subsidies. But it is senseless to expect the tax-payer to provide sinecures for a number of gentlemen who have no real function to perform. There is only one remedy, and that is the cutting short of the elaborate distributive process that is such a burden to the consumer. Moreover, the industry cannot object, as so often happens, that such action would be 'impracticable', or would raise 'side-issues of an insoluble nature'. Before the war the LCC used to buy 30,000 cwt. of fish annually direct from the trawler owners of Hull, Grimsby and Yarmouth, and in 1938 the Bristol Public Assistance Committee bought fish on contract from a Grimsby merchant and paid a flat rate of 2d a lb including transport from Grimsby to Bristol. These transactions were solidly opposed by the fish merchants, but their success has been outstanding. The Government's control order really made no attempt to eliminate these intervening stages or to buy in bulk, but merely shifted the markets, re-naming them depots. The chief effect, as has been shown, was to make the prevailing confusion worse. When at last the Government recanted the industry returned to its former state of chaotic independence, and so glad was it to throw off the unwelcome restraint that had been placed on it that it actually agreed to accept a new one, which it believed would be less burdensome—the imposition of maximum prices.

PIECEMEAL PRICE CONTROL

The fish trade confidently believed that the Food Minister intended to allow the ordinary channels of distribution, with port auctions, to continue, but with a maximum price beyond which no bidder could go. A similar scheme had been operated in 1918-19. These maximum prices would be sufficient to cover the extra cost of ships in wartime and to give a fair return to both owners and fishermen. The fish fryers were particularly anxious for the introduction of a maximum price order, complaining that in a free market the big restaurants and hotels could bid higher than they, and were buying up all the best fish.

But the Ministry seemed in no hurry to fix maximum prices, and one by one the different sections began to argue that price control would not, after all, solve their problems. Only the fryers held out, and continue to do so. The Government fixed prices for herrings and later for cod fillets, but resolutely refused to touch other varieties. Rumours that controlled prices are imminent have been in the air for several months, but at the moment the Government has done nothing beyond making a promise that certain proposals coming from the trade will be examined. In

fact, in a message to the *Fish Trades Gazette* on 22 February 1941, Lord Woolton said, '... it will, I am sure, be understood that I cannot say anything about the proposals for making fish available at more reasonable prices'. Recently the trade itself has tried to come to a voluntary agreement by which prices will be kept at a more reasonable level. A conference was held at Leeds on 12 February 1941 the chief outcome of which was that the idea of a price control scheme being voluntarily operated by the trade was turned down as being unlikely to succeed. Government enforcement of an approved scheme worked out by all sides of the industry was considered preferable, and a special committee was appointed to put the finishing touches to a preliminary plan of maximum prices for Iceland cod. It seems that the Government and the trade between them are being reluctantly compelled to admit the principle of price control as being necessary. But rather than boldly introduce a comprehensive plan immediately they prefer to apply piecemeal measures, fish by fish, and cling to higher profits where they can. The conclusions to be drawn from the Leeds conference seem to be that the trade realises that maximum prices will have to be introduced eventually, and prefer the Government to enforce them, but are anxious to delay the move to the latest possible date.

Naturally the trawler owners, wholesalers and fishmongers put forward good reasons to show why price control will be difficult, and may not have the desired effect of reducing fish prices. The chief arguments used, with the answers to these arguments, run as follows :

- (1) Rigid price control must bring tremendous complications, as a fair price on a day of adequate supplies might be quite unfair on a day of short supplies.

Answer. Fish merchants, like others, do not reckon profit and loss on a day to day basis, but over a period of months. Prices would be fixed so as to ensure a sufficient margin over this period.

- (2) Price control would be disastrous without allocation of supplies. Allocation cannot be planned without a knowledge of the supplies available, and must take place within an hour after the fish is landed.

Answer. At the moment allocation of supplies is purely fictional. They go to the highest bidder. A central authority which kept in constant touch with the ports and, where possible, the returning vessels by telephone and wireless telegraphy could overcome this difficulty.

- (3) If prices are controlled they should be the same all over the country. This would mean the introduction of a flat rate of carriage, which would have to be worked out by a staff of several hundred people. This would make fish even dearer than it is now.

Answer. A thoroughly specious argument. It is the old bogey of the capitalist—bureaucracy, the ‘horde of officials’ Actually there is no reason to suppose that such a staff need be excessively expensive, especially in comparison with the present over-complicated distributive mechanism.

- (4) Up to now the general level of prices has depended on the supplies available. A retailer cannot pay overheads on short supply if his profit is limited.

Answer. This is a powerful argument, but in practice is only a cunning rehabilitation of No. 1, and the same answer applies. Also when the immediate danger has passed the Government may consider releasing a few more trawlers to step up supplies.

In conclusion it is interesting to note that even where maximum prices have been imposed (herrings and imported cod fillets), the peculiar structure of the industry even now provides loopholes for evasion. In a recent case at Dover a merchant was prosecuted by the Ministry of Food for selling at prices above the wholesale maxima. The merchant was acquitted on the grounds that he was not a wholesaler but a ‘distributing dealer’—in other words, one of the fish trade’s supernumeraries. This is a dangerous precedent, for it means that not only is this class of merchant pushing up the price by his very existence, but it can also evade maximum price quotations in the few cases where they exist.

A SHORT TERM POLICY

The fish industry must be reorganised from top to bottom, port to retailer, and the sooner the better. Such a task could not be accomplished overnight, however, and in the meantime an effort must be made to provide cheap fish within the existing framework. For this three measures are urgently necessary :

- (a) Some control of the distribution muddle, and a beginning made in the ultimately inevitable job of cutting out unnecessary stages and units.
- (b) Maximum prices for all fish.
- (c) Rationing.

These changes are the minimum, and should be put into force without delay. Enough has been said of (a) to show that it is the major cause of the soaring prices. It is true that landings are much smaller than they used to be, and this is bound to be the case as long as hostilities continue, but this is only one more reason why an even stricter control should be wielded over distribution. The obvious starting-point lies in an increase in bulk-buying. If the L C C and the Bristol P A C can effect economies by this method, so can other large Corporations and local government bodies. There is an admirable opportunity here for the larger communal kitchens.

Under a free market short supply will always cause prices to shoot up, and they will continue to do so as long as there is a nucleus of rich consumers who are willing to pay high prices. Control of distribution and of prices and the rationing of fish meet here on common ground. First of all costs can be cut down by the economy suggested above, then it will be possible to fix a level beyond which prices must not rise. But it would be sheer dishonesty to fix prices without introducing some form of rationing—it seems to be almost an economic law that such goods disappear from the market, and become the sole property of the ‘best customer’. There are two ways in which fish might be rationed—either in a category by itself, or together with meat. The decision would turn upon supply; if the fish supply were sufficient to feed all who would take up the ration, it would be better to treat it singly, as its nutritive value is not equal to that of meat. On the other hand, if supply were short fish could be lumped in with meat. But whichever method is adopted, the other two measures—rationalisation and price control—must also accompany it, for without them rationing would have no effect on the present situation, except that the rich would not be able to buy quite so much as formerly and consequently more fish would rot in storehouses.

ITALY: WHAT NEXT?

Paolo Treves

During the first months of 1940 a great deal of speculation went on in this country about Italian policy, and whether Italy would enter the war on Germany's side, and the policy of the national press was to emphasise all possible rumours and unconfirmed reports in order to show that the Axis was dead.

It was a difficult period for Italian anti-Fascists to pass through, and I am afraid I must say that we had then some disagreement with many of our British friends. For we were all quite convinced that Mussolini would not, and could not, keep neutral, and that Italy's entry into the war was only a question of time. We did not share in the 'official' appreciation of Mussolini's 'realism' (incidentally, it was rather hard for us to understand what was meant by this word); and even less did we believe in things then being said, namely that Fascism was not like Nazism, and that the King of Italy was a factor of moderation, and opposed to the Axis.

Thus, on the 10th of June, we did not join our British friends in their bewilderment. It was quite enough for us to remember that on the very same day sixteen years ago Matteotti had been murdered in Rome, by order of Mussolini. The Nemesis of history had decided that the 10th of June should be marked in blood in the history of Italy. In 1924 Matteotti, in 1937 the Rosselli brothers, and in 1940 the declaration of war, which last is perhaps the cruellest murder accomplished by Mussolini and his régime—the murder of Italy herself.

It may be of some interest to notice that the same newspapers and the same people who one year ago were absolutely certain of Italy's neutrality, or at least of her non-belligerency, are at the present time more or less openly talking of the possibility of a revolution in Italy. But as they were wrong in their appreciations of Italy's position in those months of non-belligerency, so too they are wrong now in their belief that a revolution is round the corner. It is worth noticing that they have a rather curious *gout* for a kind of revolution which seems to be rather out of fashion, above all in Italy. Actually, they place much hope in a sort of Palace revolution on the part of the King of Italy who, with the help of the generals and of some Fascists, might ask Mussolini, in one way or another, to be kind enough to disappear from the political stage.

'Wishful thinking' is an English idiom which can hardly be translated into any other language. I am not saying by that that 'wishful thinking' is an attitude of mind peculiar to the British.

But we have clear evidence of this mental attitude when we consider British reactions to Italian problems.

It is no doubt true that the ultimate aim of some currents of opinion embodied in some tory newspapers is the reestablishment in Italy of a reinforced Monarchy assisted by professional generals with the cooperation of elements from the Fascist party who for some reason are supposed to be against the present policy of Mussolini; and not very different is the other shade of opinion which seems to think that Fascism itself may get rid of Mussolini and the pro-German elements, and have a fresh start.

In order to clarify the position, we must try to examine the forces which are still potentially active in Italy, and which can be taken into account in the settlement after the British victory.

MONARCHY ?

As we have said, many hopes are placed in King Victor Emmanuel III. He has been on his throne for more than forty years. Until 1922, the time of the March on Rome, he was a perfectly constitutional King, and showed an absolute respect for the Constitution. His ideal seemed to be the régime of his old friend Giovanni Giolitti, a liberal-conservative leader who had been many times Prime Minister of Italy from 1892 to 1921. Giolitti was more or less the symbol of that period of Italian history known as 'the parliamentary democracy'. One can say that the King was honestly a supporter of that system; but one must not forget that Victor Emmanuel may be considered as a typical example of a man suffering from an inferiority complex. A small, nervous, irresolute man, he is completely incapable of a personal policy or of opposition.

Many reasons may be given for his action in 1922—the official one was that the King wanted to avoid bloodshed between Italians—but I think it is true to say as a general rule that Victor Emmanuel is not a King for troublesome periods. Since then, he has experienced himself what Fascism is like. After his first blunder in asking the leader of the Blackshirts to come to Rome and form the new Government, he had to follow the usual path for those who surrender to Fascism: one step after the other he was obliged to accept all Fascism wanted.

When Matteotti was murdered, and in consequence of the huge wave of indignation which spread throughout Italy, the King appeared to be deeply shaken, and said to the leaders of the opposition: 'Give me the proof that Mussolini is in some way connected with this ugly murder, and I know what my duty is'. The proof was given; the King did nothing. Perhaps he was still afraid of

bloodshed between Italians . . . On 3 January 1925 Mussolini was strong enough to accept the responsibility for the crime, and the last phase of the war against the remnants of the legal opposition started in the most brutal form.

Here really begins the end of any form of political activity by the King. From then onwards he has been nothing but a machine to sign decrees. He has signed everything for fifteen years. Sometimes, on the eve of the most important steps towards the totalitarian structure of the Fascist régime, there were rumours that the King would refuse his signature to the new laws. But in the end all laws were sanctioned by the King. One of the latest instances of this was over the anti-Jewish legislation of 1938. The King was reported to be resolutely against the anti-Jewish measures, and there were rumours of pro-Jewish gestures on the part of the King. Nevertheless, the King signed.

The same rumours circulated widely both in Italy and abroad with regard to the Axis policy. But the King received Hitler in Rome, and later approved the declaration of war on Great Britain and France. Eighteen years of Fascism have now passed, and not a single real hitch between Monarchy and Fascism has ever occurred. King Victor Emmanuel continues to sign decrees. He is now almost 72, an old and tired man, a sceptic by nature, perhaps with sadness in his heart. One can hardly expect him to have fresh energy to take a stand. And he can hope for no help from the Royal Family. The Crown Prince certainly does not enjoy a reputation for particular intelligence or political interest. Besides, his connections with some Fascist leaders are even closer than those of his father.

ARMY ?

Many expect the King to be helped by the generals in his awaited move against Fascism. Actually, when people talk about Italian generals they mean only Marshal Badoglio, for no other generals can be selected as outstanding supporters of the King. And here the situation becomes very curious. Very probably Badoglio is not a Fascist, and one could even assume that he is privately opposed to the régime. Since the March on Rome, in many fashionable *salons* of the aristocratic opposition in Italy, Badoglio has always been held up as the man who *might* be the Saviour of Italy and her future Prime Minister. But Badoglio never did anything against the régime. He served it faithfully in his military capacities both as Chief of the General Staff and on the battlefields of Abyssinia. Badoglio never uttered a word

which might be considered as against the régime. The reason why is perfectly clear.

Badoglio is nothing but a professional soldier at the orders of the King. It was rumoured that he asked the King, on the eve of the March on Rome, for permission to restore normal life in Italy by five minutes' firing. The order never came, and Badoglio obediently carried on his duties under the new régime. Badoglio is prepared to do everything the King may ask him to do, but he will never dream of taking any personal initiative. Besides, he is not in the least a politician, and all his political creed is summed up in his allegiance to the King. And the King is unlikely ever to have the necessary energy to give the order to Badoglio. The situation is, therefore, at a standstill. Of course Mussolini knows all that, and is taking advantage of it. Once again his cleverness is only the result of the others' stupidity or lack of initiative. This holds good not only as far as home policy is concerned.

CHURCH ?

Another force which is often claimed as an asset against the Fascist régime is the Catholic Church. It is probably true that the Pope and the Vatican are not in agreement with Fascism, and that they would be entirely pleased by the fall of the present régime. But one must not forget what the attitude of the Catholic Church towards politics has always been, and above all the fact that a Treaty has been signed by the Government of Mussolini and the Church.

This is the Lateran Treaty which was signed in February 1929, and which put an end to the so-called Roman question. By its stipulations the Pope recognised the existence of an Italian state under the House of Savoy, and in exchange got a small portion of the area of Rome which now forms the entirely independent state of the Holy City of the Vatican.

Such a treaty was in a way a kind of recognition of the Fascist régime by the Papacy, and since then, although some troublesome periods occurred later, relations between the Church and the Fascist state have always been cordial. At the time of the Abyssinian war the Church supported the Government of Mussolini, and the official attitude of the Vatican was one of non-intervention in the business of the State. Moreover, the clergy in Italy is rather pro-Fascist, and its influence, especially in the peasant regions of the country, is still remarkable.

It is perhaps not going too far to say that in point of fact State

and Church in Italy are now in a situation of interdependence, as the Church committed itself too far to Fascism and Fascism on the other hand could not afford to be openly against the Church which still retains a great hold on the people of Italy. We may assume that the present Pope, who is a clever diplomat and a subtle politician, has no special sympathies towards Fascism ; but in spite of that no help for a movement against Fascism is likely to come from the Catholic Church.

Nor can we reasonably share in the secret hopes of many people, that the end of the present régime may be brought by some Fascist leaders plotting against Mussolini and the German rule over Italy. This hypothesis, besides being highly improbable in itself, need not detain us, because the point is not to barter Mussolini with some Grandi or Volpi or De Vecchi, but to prepare for the reconstruction of Italy on quite a different basis.

PEOPLE ?

Among those who are so keen on the forces mentioned above very few have so far taken into account the force of the Italian people itself. It would be foolish to affirm that revolution in Italy is round the corner. But there are still popular forces in Italy which are, perhaps unconsciously, working for an anti-Fascist movement. Military defeat is the essential premise, and the present splendid exploits of the British forces are drawing us nearer to that stage. Yet it is vain to expect a revolution in Italy before the Fascist armies are defeated on the battlefields, because of the physical impossibility of any such rising in a totalitarian state. Indeed, we must not forget that the machinery of the police state still works smoothly, even more so now that German police have come to join and reorganise their Italian colleagues.

But I should like to prophecy that a drive against Italy herself would profoundly affect the balance of power of the Fascist state, and might give the Italian anti-Fascists a chance to play their cards. In a defeated Italy they certainly would not be alone in the struggle. The great discontent which no doubt is spreading throughout Italy will certainly help the anti-Fascists to work their way amongst the people. The germ of an anti-Fascist organisation still exists in Italy, and may well become the rallying centre for all the freedom loving people of my country. The beginning of the decline and fall of Mussolini's régime has already dawned.

NOTES ON BOOKS

Home Affairs

JUVENILE DELINQUENCY by J. H. Bagot (Jonathan Cape 5/-)

A 90-page statistical account of juvenile delinquency in Liverpool in 1934 and 1936. A useful source book carefully compiled. The non-statistical discussion is brief, and therefore superficial; the author does not know the juveniles themselves ('The urchins who throng the Courts') and contributes little new thinking to an old problem, but as a statistical document his book is admirable and should be widely used. J. S. C.

THE BETRAYAL OF THE LEFT, ed. V. Gollancz (Gollancz 9/6)

A very fair study of Communist policy since the outbreak of war. As an exposure it is effective; the reader is left in no doubt as to the meaning of 'revolutionary defeatism'. But the authors never allow their words to be coloured by that anti-Communist hatred which vitiates so much criticism. Some of the authors would undoubtedly have preferred to agree with Communist policy. But convinced of the necessity of defeating Fascism, they support instead the policy of the War on Two Fronts, which is the logical development for Popular Frontists. P. R. P.

THE ENGLISH REVOLUTION 1640, ed. C. Hill (Lawrence and Wishart 2/6)

These three essays—*The English Revolution* by Christopher Hill; *Contemporary Materialist Interpretations of Society in the English Revolution* by Margaret James; *Milton: The Revolutionary Intellectual* by Edgell-Rickwood; are extraordinarily stimulating. Hill's essay is indeed an outstandingly brilliant application of the Marxist method of historical analysis. To be strongly recommended. J. T.

THE FUTURE OF EDUCATION by Sir Richard Livingstone

Adult education for all is the aim of this book. It is even rated above the raising of the school leaving age, on the grounds that life is a necessary preparation for education. Youth's inexperience is scorned as though a man's wisdom could be measured by his years. This academic view of education from an age-old Oxford window does not take in education in the army. If the appeal of the book is quaintly expressed it is none the less interesting. N. G.

THE LION AND THE UNICORN by George Orwell (Secker and Warburg 2/-)

An hour's racy reading—an aperitif rather than a meal. Orwell analyses the England of the last twenty years; the blindness of our approach to the events leading up to the war, and to the war itself in its early months. He then formulates a six-point programme for an English revolution. The trouble about this book is that though it is suffused with a deep love for England, it breathes an equally deep distrust for almost all Englishmen. It hits out right and left, particularly at the left-wing intellectual. Is this minute fraction of the population worth so much space and sarcasm? Have they, after all, been any more muddled than anyone else? R. H.

TRADE UNIONS FIGHT—FOR WHAT? by Herbert Tracey (Routledge 5/-)

SOME EXPERIENCES OF ECONOMIC CONTROL IN WAR-TIME by Sir William Beveridge (OUP 1/-)

It is an interesting experience to read these two books at the same time. Mr. Tracey's exceedingly dull and mediocre account of the relations of the Trade Unions to the Government in the early stages of the present war provides an admirable foil to Sir William Beveridge's brilliant Sidney Ball Lecture, 1940, which draws from the experiences of the last war some pertinent observations on the methods and limitations of State control of the national economy. J. T.

BARBARIANS AND PHILISTINES, DEMOCRACY AND THE PUBLIC SCHOOLS, by T. C. Worsley (Robert Hale 10/6)

Extravagance, vanity, a falling birthrate, rising income-tax and the financial crash of 1931 has given the lesser Public Schools a nasty jar

before Hitler's War broke out. Further taxation, evacuation and rising costs have diminished their resources still further, and it now seems necessary to let them use capital as income. Will that save them? A good many may endure if they recast their curriculum and accept large numbers of day-pupils. For the others, too remote for convenient daily access, Worsley suggests a role as Junior Universities, a scheme which has a good deal to recommend it. But government help must involve government control; and the schools must become really public; and available for those who can profit by the education provided. England must no longer be divided educationally into two separate camps. The book is the most constructive piece of criticism which has so far appeared.

N. B. J.

International

THE SOCIAL POLICY OF NAZI GERMANY by C. W. Guillebaud
(Cambridge University Press 3/6)

Short survey of Labour policy of the Nazis. Sound historical background of pre-Nazi developments. As to main chapters two characteristics: Definite inclination to accept Nazi statements and decrees at face value, and reluctance or unawareness of interconnections between social and political factors. Nazi labour policy fully directed towards War and not social or economic recovery. G. falls in with the Nazi declarations, e.g., that 'the standard of the final examination does not, however, appear to have been lowered . . . when the duration of apprenticeship was reduced, by amounts ranging from six months to eighteen months' (p. 63). Equally surprising is his valuation of labour legislation of Nazis relating to juveniles, omitting completely progress under Republic and even Empire. G. has no objection to the 'child labour licence' for children older than ten years (p. 75) and thinks this legislation 'an advance'. G.'s interpretation of strike as opportunity for holiday and of holiday as substitute for strike ingenuous, to say the least.

W. S.

WE FIGHT FOR THE FUTURE by Basil Mathews (Collins 6d.)

WHAT IS AT STAKE AND WHY NOT SAY SO? C. E. M. Joad
(Gollancz Victory Books, No. 8 2/6)

THE WAR FOR PEACE by Leonard Woolf (Routledge 7/6)

POLITICAL PROPAGANDA by F. C. Bartlett (Cambridge University Press 3/6)

These four volumes may be read as one; the first two on what we are defending, the third on what we must persuade peoples to achieve, and the last a short epilogue on the technique of persuasion. All would make excellent study-circle handbooks.

Basil Mathews recalls in brilliant rhetoric that which is good in the British tradition. Generally he mentions both white and black, e.g., in colonial policy political trusteeship developing while economic exploitation by private capitalists continues, but too frequently he turns a blind eye to our shortcomings. He poses burning questions: India, Federal Union, Mandates; and skilfully evades dealing with any of them. He stimulates, he persuades; he declares freedom good and liberalism bad, but leaves us the dilemma.

Joad seems unaware that any dilemma exists. The liberal tradition he stoutly defends and expects oppressed Europe to rally to its banner. But liberal England is now associated in the continental mind not with championing the oppressed, but with a system of government which led to political chaos and economic disaster. In his last chapters he throws in a tablespoonful of Federal Union without considering how the idea can be sold to the European peoples, and a teaspoonful of planned socialism without considering how it can be reconciled with the liberal tradition.

Woolf, unlike Joad, is sensitive to the political climate of Europe. He pins faith in a new League, believing national psychology unripe for Federal Union. He accepts that psychology as inevitable. How to change it belongs to Mr. Bartlett's subject, but Bartlett merely describes,

he does not recommend; nor does he state whether or how official propaganda can be permanently reconciled with political democracy. Woolf loves analogy. For him the League was a Council of Unruly Barons. But would not his international police force be like expecting the barons to pool their private armies and jointly run them as one? Not that way came civil order to England. A strong (Tudor) kingship bridged the gap between the barons' sovereignty and that of the People in Parliament. Europe too? P. L. Y.

HITLER AND I by Otto Strasser (Cape 8/6)

Personal quarrels with Hitler: 'A good German dictator should teach the German people to appreciate subtlety in cooking and in love' (p. 80). Glorification of his brother Gregor. Provincial outlook, over-rating influence of towns like Landshut where Gregor's chemist shop is described like political centre of Germany after 1919. No human nor political objections against men like his brother's A D C Himmler or his special friend Röhm, just as his entire criticism is not based upon different political opinion and set of values and morals, but consists of scandal-mongery. Entire narrative based on admiration for brute force and primitive tribal political methods, in spite of thin layer of western verbiage like 'European Federation,' 'Socialism,' 'Christianity,' 'Reason,' which in itself expression of Nazi education to cynicism and political tactics. W. S.

SEPTEMBER 1939 by D. Wegierski (Minerva Publishing Co. 7/6)

A straightforward and simple account of the Polish defeat, fascinating and disappointing as any account of personal experience in the tragedy must inevitably be. Truly Polish in its emotional equilibrium, its humanity and its lack of political sense. To the author, Nazism has no ideological significance, and the German invasion, in spite of its annihilating brutality, is regarded as a minor catastrophe compared with the 'Bolshevik' occupation which is throughout treated as a far greater evil because of its ideological character, in spite of the author's unconscious testimony to Soviet inefficiency. This attitude—its contributory to the Polish disaster—appears to be shared by the whole of the Polish emigration, and one wonders how far those at home share it. D. W.

THE AMERICAN MINERS' ASSOCIATION by Edward A. Wieck (The Russell Sage Foundation, New York)

This is more than a history of the short-lived American Miners' Association (1861-67). Mr. Wieck (himself a miner) tells his story in terms of the wider backgrounds of the American and British labour movements and with enlightening references to the industrial organisation of the United States at that time. He is not uniformly successful in drawing this wider picture. But as for the A M A, he has dug out from contemporary records every fact that one could want to know about this first attempt to organise the mine workers on a national basis. The debt of the movement to British Trade Unionism is made clear. Three of the leaders were English born, two of them had worked in British mines and one of these participated in the Chartist movement and later came under Alexander Macdonald's influence. Except for a reference to President Lincoln's 'labour is prior to capital' address, there is little attempt to estimate the influence of the politics of the day on the A M A movement. But that is perhaps the only disappointment in this excellent study. J. G.

DEMOCRACY'S LAST BATTLE by Francis Williams (Faber & Faber 8/-)

This book is in three parts. The first, and the best, is an historical retrospect dealing with the conditions of the rise of Fascism in Germany and Italy and of Communism in Russia. It is well and vigorously written, and recalls a number of facts worth remembering. The second and third parts called respectively *The Shape of British Democracy* and *Strategy for Civilisation*, suffer because they repeat to a certain extent what has been said both in the author's last book and in other books and pamphlets. The need for turning a partial democracy into a real one was, of course, worth stating, but would have been more effective if stated more briefly. M. I. C.

LABOUR UNDER GERMAN DEMOCRACY, 1918—1933 by Dr Frieda Wunderlich (New School for Social Research, New York) Thorough factual study. Great knowledge, personal insight and experience. Subtle explanation of transformation of wartime industrial arbitration to peace-time conciliation as well as arbitration, its organisation, compulsory awards, finally Nazi twisting. Inclination to leave decisions to central authority (State). Resulting irresponsibilities, such as silent agreements, while continuance of press attacks. Advantage of national bodies of experts over regional arbitration boards, as then existing. Occasional hindrance through elimination of public pressure resulting from open strikes. Judicial powers of arbitrators, no official rules, as e.g., Australia. Brilliant summary of positive results such as collective trade union action instead of individual representation, sharing of workers in profits resulting from rationalisation. W. S.

THE WOMAN WHO COULD NOT READ by Michael Zoshchenko Translated by Elisaveta Fen (Methuen 5/-)

Humorous anecdotal tales of domestic life in Russia under the five-year plans. Excellent short-story writing in a translation which reads like an original. A book to buy. J. S. C.

General

THEORY OF THE JUST PRICE by Rudolf Kaula (Allen & Unwin 7/6)

Although this book is somewhat inaccurately described by the sub-title, *A Historical and Critical Study of the Problem of Value*, it is well worth reading. The historical sections are very superficial, but the theoretical argument in the chapter, *The Dependence of Value upon Law and the State*, is profound and worthy of the most careful consideration by all interested in the theoretical economic problems presented by the intervention of the State in Industry. J. T.

CIVILIZATION AND LIBERTY by Ramsay Muir (Cape 2/6)

This short survey of world history designed to illustrate the thesis that the enlargement of liberty in every sphere is the surest recipe for human welfare is as brilliantly done as it is readable. J. T.

I BELIEVE by 'twenty-three Authors (Allen & Unwin 15/-)

This book comes, it would seem, from America; it was written, for the most part, before the war, and in the case of the bulk of two chapters, over ten years ago. The selection of authors—they run from Auden to Rebecca West—is left-wing on the whole, though they include some non-committals and Jacques Maritain. Presumably they were chosen because of their publicity value in the States. Stuart Chase's essay is the best, and then Harold Laski's; most of the others of doubtful readability. An expensive production. M. I. C.

